

**LAW OFFICES OF
LOUIS E. GITOMER**

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December 6, 2007

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

RECORDATION NO. 27256-A FILED

DEC 06 '07 -4 09 PM

SURFACE TRANSPORTATION BOARD

Dear Secretary Williams:

I have enclosed for e-filing the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Consent and Agreement to Lease Collateral, a secondary document, dated as of December 5, 2007. The primary document to which this is connected is being simultaneously recorded. We request that this document be given the "A" suffix.

The names and addresses of the parties to the Memorandum of Consent and Agreement to Lease Collateral are:

Secured Party:

JPMORGAN CHASE BANK, N.A.
Baton Rouge Business Banking LPO
450 Laurel, Suite 1200
Baton Rouge, LA 70801

Borrower:

MARCHAND MACHINERY MAINTENANCE CO.-K, L.L.C.
17877 Greenwell Springs Road
Greenwell Springs, LA 70739

Sublessee

INTERNATIONAL MILL SERVICE, INC. D/B/A IMS DIVISION, TUBE CITY-IMS
17877 Greenwell Springs Road
Greenwell Springs, LA 70739

Honorable Vernon A. Williams

December 6, 2007

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A description of the equipment covered by the Memorandum of Consent and Agreement to Lease Collateral consists of one locomotive numbered RMPX 9345, to be renumbered KMMX 125.

A fee of \$ 35.00 is enclosed. Please return the original to:

Louis E. Gitomer
600 Baltimore Avenue
Suite 301
Towson, MD 21204

A short summary of the document to appear in the index follows: a Memorandum of Consent and Agreement to Lease Collateral among JPMORGAN CHASE BANK, N.A., Baton Rouge Business Banking LPO, 450 Laurel, Suite 1200, Baton Rouge, LA 70801, MARCHAND MACHINERY MAINTENANCE CO.-K, L.L.C., 17877 Greenwell Springs Road, Greenwell Springs, LA 70739, and INTERNATIONAL MILL SERVICE, INC. D/B/A IMS DIVISION, TUBE CITY-IMS, 17877 Greenwell Springs Road, Greenwell Springs, LA 70739, covering one locomotive numbered RMPX 9345, to be renumbered KMMX 125.

Very Truly Yours,



Louis E. Gitomer

Enclosures

RECORDATION NO.

27256-A
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-4 09 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF CONSENT AND AGREEMENT TO LEASE COLLATERAL

dated as of December 5, 2007

among

JPMORGAN CHASE BANK, N.A.,
as Secured Party,

MARCHAND MACHINERY MAINTENANCE CO.-K, L.L.C.,
as Borrower,

and

INTERNATIONAL MILL SERVICE, INC. D/B/A IMS-DIVISION, TUBE CITY-IMS
as Lessee

MEMORANDUM OF CONSENT AND AGREEMENT TO LEASE COLLATERAL

THIS MEMORANDUM OF CONSENT AND AGREEMENT TO LEASE COLLATERAL is made and entered into as of December 5, 2007, among JPMORGAN CHASE BANK, N.A. ("Secured Party"), Baton Rouge Business Banking LPO, 450 Laurel, Suite 1200, Baton Rouge, LA 70801, MARCHAND MACHINERY MAINTENANCE CO.-K, L.L.C., as Borrower ("Borrower"), 17877 Greenwell Springs Road, Greenwell Springs, LA 70739, and INTERNATIONAL MILL SERVICE, INC. D/B/A IMS DIVISION, TUBE CITY-IMS ("Lessee"), 17877 Greenwell Springs Road, Greenwell Springs, LA 70739.

WITNESSETH

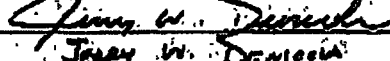
Secured Party, Borrower, and Lessee have entered into that certain Consent and Agreement to Lease Collateral dated as of December 5, 2007 by which: (1) Secured Party has agreed to the lease of one SW-1200 locomotive numbered RMPX 9345, to be renumbered KMMX 125 from Borrower to Lessee; (2) Borrower has agreed that it shall have absolute and unconditional liability for payment and performance of all obligations, agreements and indemnities of Borrower under the Loan Documents, including, without limitation, the obligation to pay all principal and interest and other amounts due or to become due under the Loan Documents directly to Secured Party; and (3) Lessee agrees that its rights in the Locomotive are subordinate to the Loan Documents and the rights and remedies of the Secured Party.

This Memorandum of Consent and Agreement to Lease Collateral may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Consent and Agreement to Lease Collateral.

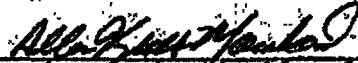
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Consent and Agreement to Lease Collateral to be executed as of the date first above written.

JPMORGAN CHASE BANK, N.A.

By: 
Name: James W. Denicola
Title: Vice President

MARCHAND MACHINERY MAINTENANCE
CO.-K, L.L.C.

By: 
Name: Allen Keith Marchand
Title: President

INTERNATIONAL MILL SERVICE, INC. D/B/A
IMS DIVISION, TUBE CITY-IMS

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Consent and Agreement to Lease Collateral to be executed as of the date first above written.

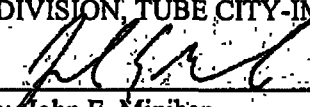
JPMORGAN CHASE BANK, N.A.

By: _____
Name: _____
Title: _____

MARCHAND MACHINERY MAINTENANCE
CO.-K, L.L.C.

By: _____
Name: _____
Title: _____

INTERNATIONAL MILL SERVICE, INC. D/B/A
IMS DIVISION, TUBE CITY-IMS

By:  _____
Name: John E. Minihan
Title: Assistant Secretary

STATE OF LOUISIANA

) ss.

COUNTY OF EAST BATON ROUGE

On this 5th day of December 2007, before me, Carla B. Daigle the undersigned Notary Public, personally appeared Jerry H. Senechal personally known to me to be the person who executed the within instrument as Vice President on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

[Seal]

Carla B. Daigle
Notary Public

#66525

My commission expires:

with life

OFFICIAL SEAL
CARLA B. DAIGLE
NOTARY PUBLIC No. 66525
STATE OF LOUISIANA
PARISH OF WEST BATON ROUGE
My commission Expires with life

STATE OF LOUISIANA

COUNTY OF EAST BATON ROUGE

) ss.

On this 5th day of December 2007, before me, Carla B. Daigle the undersigned Notary Public, personally appeared Mr. Keith M. Mink personally known to me to be the person who executed the within instrument as President on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

[Seal]

Notary Public

#66525

My commission expires:

with life

OFFICIAL SEAL
CARLA B. DAIGLE
NOTARY PUBLIC No. 66525
STATE OF LOUISIANA
PARISH OF WEST BATON ROUGE
My commission Expires with life

COMMONWEALTH OF PENNSYLVANIA)

COUNTY OF MONTGOMERY)

) ss.

On this 5th day of December 2007, before me, Tara Galagarza, the undersigned Notary Public, personally appeared John E. Minihan personally known to me to be the person who executed the within instrument as Assistant Secretary on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

[Seal]

COMMONWEALTH OF PENNSYLVANIA
- Notarial Seal -
Tara Galagarza, Notary Public
Horsham Twp., Montgomery County
My Commission Expires Sept. 21, 2010
Member, Pennsylvania Association of Notaries


Notary Public

My commission expires:

September 21, 2010